

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 672

101ST GENERAL ASSEMBLY

4278S.02C

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal section 173.2553, RSMo, and to enact in lieu thereof one new section relating to workforce development.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 173.2553, RSMo, is repealed and one
2 new section enacted in lieu thereof, to be known as section
3 173.2553, to read as follows:

173.2553. 1. There is hereby established a "Fast
2 Track Workforce Incentive Grant", and any moneys
3 appropriated by the general assembly for this program shall
4 be used to provide grants for Missouri citizens to attend an
5 approved Missouri postsecondary institution of their choice
6 in accordance with the provisions of this section.

7 2. The definitions of terms set forth in section
8 173.1102 shall be applicable to such terms as used in this
9 section and section 173.2554. In addition, the following
10 terms shall mean:

11 (1) **"Active apprenticeship status", formal participation**
12 **in an apprenticeship that meets any related requirements as**
13 **defined by the organization providing the apprenticeship or**
14 **the United States Department of Labor;**

15 (2) "Board", the coordinating board for higher
16 education;

17 [(2)] (3) **"Eligible apprentice", an individual who:**

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 (a) Is a citizen or permanent resident of the United
19 States;

20 (b) Is a Missouri resident as determined by reference
21 to standards promulgated by the coordinating board;

22 (c) Has active apprentice status in an eligible
23 apprenticeship;

24 (d) Has an adjusted gross income as reported on their
25 Missouri individual income tax return, that does not exceed
26 eighty thousand dollars for married filing joint taxpayers
27 or forty thousand dollars for all other taxpayers; and

28 (e) Is twenty-five years of age or older at the time
29 of entering the apprenticeship or has not been enrolled in a
30 postsecondary education program, other than one related to
31 the current apprenticeship, for the prior two calendar years;

32 (4) "Eligible apprenticeship", a United States
33 Department of Labor approved apprenticeship, as defined
34 under 29 CFR Part 29, conducted within the state of Missouri
35 that prepares a participant to enter employment in an area
36 of occupational shortage as determined by the coordinating
37 board;

38 (5) "Eligible program of study", a program of
39 instruction:

40 (a) Resulting in the award of a certificate,
41 undergraduate degree, or other industry-recognized
42 credential; and

43 (b) That has been designated by the coordinating board
44 as preparing students to enter an area of occupational
45 shortage as determined by the board;

46 [(3)] (6) "Eligible student", an individual who:

47 (a) Has completed and submitted a FAFSA for the
48 academic year for which the grant is requested **or if the**
49 **student is enrolled, or is enrolling, with an eligible**

50 **training provider that does not participate in federal**
51 **student aid programs, has provided documentation of their**
52 **adjusted gross income as determined by the board;**

53 (b) Is a citizen or permanent resident of the United
54 States;

55 (c) Is a Missouri resident as determined by reference
56 to standards promulgated by the coordinating board;

57 (d) Is enrolled, or plans to enroll, at least half-
58 time as a student in an eligible undergraduate program of
59 study offered by an approved public, private, or virtual
60 institution, as defined in section 173.1102 **or by an**
61 **eligible training provider;**

62 (e) Has an adjusted gross income, as reported on the
63 FAFSA **or other documentation as determined by the board,**
64 that does not exceed eighty thousand dollars for married
65 filing joint taxpayers or forty thousand dollars for all
66 other taxpayers; and

67 (f) Is twenty-five years of age or older at the time
68 of enrollment or has not been enrolled in an educational
69 program for the prior two academic years;

70 **(7) "Eligible training provider", a training**
71 **organization listed in the state of Missouri eligible**
72 **training provider system maintained by the office of**
73 **workforce development in the department of higher education**
74 **and workforce development;**

75 [(4)] (8) "FAFSA", the Free Application for Federal
76 Student Aid, as maintained by the United States Department
77 of Education;

78 [(5)] (9) "Fast track grant", an amount of moneys paid
79 by the state of Missouri to a student under the provisions
80 of this section;

81 [(6)] (10) "Graduation", completion of a program of
82 study as indicated by the award of a certificate,
83 undergraduate degree, or other industry-recognized
84 credential;

85 [(7)] (11) "Qualifying employment", full-time
86 employment of a Missouri resident at a workplace located
87 within the state of Missouri, or self-employment while a
88 Missouri resident, with at least fifty percent of an
89 individual's annual income coming from self-employment,
90 either of which result in required returns of income in
91 accordance with section 143.481;

92 [(8)] (12) "Recipient", an eligible student [or], an
93 **eligible apprentice, a renewal apprentice, or a** renewal
94 student who receives a fast track grant under the provisions
95 of this section;

96 (13) **"Related educational costs", direct costs**
97 **incurred by an individual as part of an eligible**
98 **apprenticeship program, such as, but not limited to, tools,**
99 **books, and uniforms;**

100 (14) **"Renewal apprentice", an eligible apprentice who**
101 **remains in compliance with the provision of this section,**
102 **has received the grant as an initial apprentice, maintains**
103 **active apprentice status, and who has not received a**
104 **bachelor's degree;**

105 [(9)] (15) "Renewal student", an eligible student who
106 remains in compliance with the provisions of this section,
107 has received a grant as an initial recipient, maintains a
108 cumulative grade point average of at least two and one-half
109 on a four-point scale or the equivalent, makes satisfactory
110 academic degree progress as defined by the institution, with
111 the exception of grade point average, and has not received a
112 bachelor's degree.

113 3. Standards of eligibility for renewed assistance
114 shall be the same as for an initial award of financial
115 assistance; except that, for **a renewal student**, an applicant
116 shall demonstrate a grade point average of two and one-half
117 on a four-point scale, or the equivalent on another scale.

118 4. Eligibility for a grant expires upon the earliest
119 of:

120 (1) Receipt of the grant for four semesters or the
121 equivalent;

122 (2) Receipt of a bachelor's degree; or

123 (3) **For an eligible student**, reaching two hundred
124 percent of the time typically required to complete the
125 program of study.

126 5. The coordinating board shall initially designate
127 eligible programs of study by January 1, 2020, in connection
128 with local education institutions, regional business
129 organizations, and other stakeholders. The coordinating
130 board shall annually review the list of eligible programs of
131 study and **occupations relating to eligible apprenticeships**
132 **and** make changes to the program list as it determines
133 appropriate.

134 6. The coordinating board shall be the administrative
135 agency for the implementation of the program established by
136 this section and section 173.2554. The coordinating board
137 shall promulgate reasonable rules and regulations for the
138 exercise of its functions and the effectuation of the
139 purposes of this section and section 173.2554. The
140 coordinating board shall prescribe the form and the time and
141 method of filing applications and supervise the processing
142 thereof. The coordinating board shall determine the
143 criteria for eligibility of applicants and shall evaluate
144 each applicant's eligibility. The coordinating board shall

145 select qualified recipients to receive grants, make such
146 awards of financial assistance to qualified recipients, and
147 determine the manner and method of payment to the recipients.

148 7. The coordinating board shall determine eligibility
149 for renewed assistance on the basis of annual applications.
150 As a condition to consideration for initial or renewed
151 assistance, the coordinating board may require the applicant
152 and the applicant's spouse to execute forms of consent
153 authorizing the director of revenue to compare financial
154 information submitted by the applicant with the Missouri
155 individual income tax returns of the applicant, and the
156 applicant's spouse, for the taxable year immediately
157 preceding the year for which application is made, and to
158 report any discrepancies to the coordinating board.

159 8. Grants shall be awarded in an amount equal to the
160 actual tuition and general fees charged of an eligible
161 student, after all federal nonloan aid, state student aid,
162 and any other governmental student financial aid are
163 applied. If a grant amount is reduced to zero due to the
164 receipt of other aid, the eligible student shall receive an
165 award of up to five hundred dollars or the remaining cost of
166 attendance as calculated by the institution after all
167 nonloan student aid has been applied, whichever is less, per
168 academic term. **Grants shall also be awarded in an amount**
169 **equal to the related educational costs for an eligible**
170 **apprentice after all other governmental assistance provided**
171 **for the apprenticeship has been applied.**

172 9. If appropriated funds are insufficient to fund the
173 program as described, students **and apprentices** applying for
174 renewed assistance shall be given priority until all funds
175 are expended.

10. **[A] An eligible student that is the** recipient of financial assistance may transfer from one approved public, private, or virtual institution, **or eligible training provider** to another without losing eligibility for assistance under this section, but the coordinating board shall make any necessary adjustments in the amount of the award. If a recipient of financial assistance at any time is entitled to a refund of any tuition or fees under the rules and regulations of the institution in which he or she is enrolled, the institution shall pay the portion of the refund that may be attributed to the grant to the coordinating board. The coordinating board shall use these refunds to make additional awards under the provisions of this section.

11. Subject to the requirements of subsections 2, 3, and 4 of this section, a student is eligible for a fast track grant under this section if the student meets all of the following criteria:

(1) The student **or apprentice** has successfully completed counseling explaining the benefits and obligations of the program under this section, including the terms and conditions of the promissory note under subdivision (2) of this subsection and the consequences of noncompliance specified in section 173.2554; and

(2) The student executes a promissory note acknowledging that the fast track grant moneys awarded under this section will be converted to a loan, and agreeing to repay that loan if he or she fails to satisfy **any of** the following conditions:

(a) **For an eligible student**, maintenance of at least half-time enrollment in an eligible program, with an interruption of qualifying enrollment of no more than twelve

consecutive months from the last day of the most recent payment period during which the student received a fast track award **or for an eligible apprentice, maintenance of active apprentice status, with an interruption of not more than twelve consecutive months from the last day of the most recent payment period during which the student received a fast track award;**

(b) Graduation from an approved institution **or eligible training provider or successful completion of an eligible apprenticeship;** or

(c) Residency within the state of Missouri within twelve months after the date of the student's graduation and for a period of not less than three years and qualifying employment within twelve months of the student's graduation and for a period of not less than three years. Residency and qualifying employment obligations may be deferred if the recipient's studies continue after graduation **or completion of the apprenticeship.**

12. Persons who receive fast track grants under this section shall be required to submit proof of residency and qualifying employment to the coordinating board for higher education within thirty days of completing each twelve months of qualifying employment until the three-year employment obligation is fulfilled.

[13. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall sunset automatically three years after August 28, 2019, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall sunset automatically six years after the effective date of the reauthorization; and

240 (3) This section shall terminate on December thirty-
241 first of the calendar year immediately following the
242 calendar year in which the program authorized under this
243 section is sunset.]

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